



Important Notice from the Rhode Island Department of Elderly Affairs about RIPAE and Medicare Prescription Drug Coverage

New Medicare Program

Starting January 1, 2006, new Medicare prescription drug coverage will be available to everyone with Medicare. This new coverage is sometimes called Medicare Part D.

RIPAE Compared to the New Medicare Program

Your current RIPAE coverage is NOT creditable coverage, as defined by Medicare. That is, RIPAE coverage is NOT as good as the coverage you will get if you join a Medicare prescription drug plan. On average your prescription drug costs will be less if you join a Medicare prescription drug plan than the costs will be under RIPAE alone.

Medicare Prescription Drug Program Late Enrollment Penalty

If you do not join a Medicare prescription drug plan by May 15, 2006, you will likely have to pay a higher Medicare premium (that is, pay a penalty) if you later decide to join a Medicare prescription drug plan.

The penalty is approximately 1% increase in cost of the premium for each month you delayed your enrollment. For example, if you wait 12 months to enroll in a Medicare prescription drug plan, when you do enroll, you would pay a premium that is 12% more per month than what most other people pay.

Open Enrollment

If you want to enroll in a Medicare prescription drug plan, enrollment for 2006 is between November 15, 2005 and May 15, 2006. The average monthly premium for a prescription drug plan in Rhode Island is \$30.22. There are 4 plans with premiums under \$20.00.

Extra Help for People with Limited Income and Resources

For people with limited income and resources, extra help paying for a Medicare prescription drug plan is available. Information regarding this program is available through the Social Security Administration (SSA). For more information on extra help, visit SSA online at www.socialsecurity.gov, or call SSA at 1-800-772-1213 (TTY 1-800-325-0778).

Qualifying for RIPAE

Medicare beneficiaries, who enroll in a Medicare prescription drug plan, may also participate in RIPAE if they qualify.

In 2006, to qualify for RIPAE you must:

- Provide proof that you meet the RIPAE income limits;
- Provide proof of your age and your address;
- Bring a completed application and your official documentation to the nearest authorized agency. (See enclosed list of agencies).

If you are participating in both a Medicare prescription drug plan and RIPAE, RIPAE will only pay for covered prescription drugs for which you are 100% responsible. For example, if your Medicare prescription drug plan has a deductible and requires you to pay 100% of the first \$250 in prescription drug costs, RIPAE would pay those costs for you up to the RIPAE contribution. However, if your Medicare prescription drug plan pays 75% of the cost of a prescription, RIPAE will not pay any of your co-insurance amounts for that prescription.

SHIP Counselors Available

If you would like to speak with a Senior Health Insurance Program (SHIP) counselor, who is trained to give you objective, unbiased information about your health insurance options, please call 401-462-4000 to find the SHIP counselor nearest to you.

Sincerely,



Corinne Calise Russo

Director, Rhode Island Department of Elderly Affairs



Rhode Island Department of Elderly Affairs

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